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SUBJECT: A THIRD FRONT GETS OFF TO A SHAKY START

Classified By: Political Counselor Ted Osius for reasons 1.4 (B,D)

11. (C) Summary: On June 6, eight regional parties met in Hyderabad under the auspices of Telugu Desam Party (TDP) President N. Chandrababu Naidu and agreed to form a "third front" aimed at eventually unseating the Congress-led United Progressive Alliance (UPA) and forming the government. The joint announcement also denounced the US/India Civil Nuclear Agreement and UPA Economic policy. In a June 7 meeting with the Chennai Principal Officer, Naidu was apologetic about the new grouping's strong negative stance on the Agreement and offered to work with his new colleagues to have it changed. The new group was immediately dismissed as inconsequential by the UPA and the BJP-led National Democratic Alliance (NDA) as well as the Left Front (LF). None of the three big players seem worried about the move as the coalition has little credibility. This reflects the current weakness of the Third Front, which controls only 48 seats in the 545-member Parliament. In addition, four of the coalition's leaders are Chief Ministers who have been voted out of office. End Summary.

A Dramatic Announcement

12. (U) On June 6, political leaders from eight regional parties met in the Hyderabad home of Telugu Desam Party (TDP) President and former Andhra Pradesh Chief Minister N. Chandrababu Naidu. At the conclusion of the meeting, they issued a joint statement announcing the formation of a "third front," established to challenge the current political dominance of the BJP-led National Democratic Alliance (NDA) and the Congress-dominated United Progressive Alliance (UPA) coalitions. In addition to Naidu, participants included former Tamil Nadu Chief Minister J. Jayalalitha (All India Dravida Munnetra Kazhagam - AIDMK), and former Uttar Pradesh Chief Minister Mulayam Singh Yadav (Samajwadi Party - SP), and leaders of five smaller regional parties. The yet to be named political grouping's statement derided the India/US Civil Nuclear Agreement for surrendering "India's nuclear crown jewels and strategic independence to the United States," and criticized Prime Minister Manmohan Singh as "someone willing to do right by the US, not by India." It

also pledged to adopt an "alternative economic policy" to ensure that "real benefits" reach the common man, while blaming the UPA's economic policies for contributing to a "decline in agricultural growth." The group also criticized the UPA for "giving away farm land at rock bottom prices" for the creation of Special Economic Zones.

Lands With a Thud

¶3. (U) The NDA, UPA and Left Front (LF) quickly dismissed the new group. A Congress spokesman claimed that "we are not perturbed. It is a natural process in a democracy. If there is a healthy Opposition...we will emerge more successful than before." A BJP spokesman dismissed the group as "a classic illusion" and opined that he could see no future for a third front in Indian politics. The Communist Party of India - Marxist (CPI-M) described the group as "an electoral get-together with no specific programs and ideas" that was formed with "elections in mind."

Naidu On the Deal

¶4. (C) On June 7, former Andhra Pradesh Chief Minister Chandrababu Naidu met with Chennai Principal Officer and consulate staff. Naidu confirmed to post that several of his partners strongly oppose the US/India Civil Nuclear Agreement. Naidu appeared apologetic about this stance, especially when we noted that US. was particularly disappointed that Naidu, with his track record of moderation, reason, and focus on development, had put his name on such a

NEW DELHI 00002678 002 OF 002

document. Naidu then pledged to go back to his coalition partners and try to convince them against opposing the agreement. He then asked for the USG's assessment of the deal's prospects. We said that Washington and New Delhi are reflecting on how to proceed. Naidu said he feels that the deal has no chance of passage in India because the Left parties are vehemently opposed to it and will prevent the UPA from finalize the Agreement.

And the New Coalition

¶5. (C) Explaining his motivation for joining a coalition with seven other regional parties, Naidu said the UPA government led by Congress is weak and has neglected the economic well-being of India's masses. The new coalition, currently referred to as the Third Front, may be renamed at a later date. Naidu maintained that there is broad support across India's political spectrum for economic liberalization, but criticized the UPA for failing to spread the benefits of economic growth. He pointed out that India creates many new billionaires, but not enough trickles down to the rest of India. Naidu denied media reports that former Tamil Nadu Chief Minister J. Jayalalithaa would lead the Third Front. Naidu insisted that no decision had been made yet, and these issues would be resolved in two weeks when the parties meet again in Chennai.

¶6. (C) Noting that the new Third Front was committed to a secular India, Naidu ruled out any alliance with the BJP, which he blamed for inciting communal tension. However, he left open the possibility that the Third Front could eventually partner with India's Left Parties. He criticized much of the Left for being too rooted to outdated ideology, and not recognizing that economic liberalization and technology are critical to India's development. Naidu was silent on the possibility of aligning with Congress. (Note: He did not need to comment, as there is virtually no chance of such an alliance as long as the Third Front includes Naidu's TDP, which is the principal Congress rival in Andhra Pradesh. End Note).

Minimal Impact

¶7. (C) As constituted, the group poses no threat to the two established coalitions, as it controls only 48 seats in the Lok Sabha. No third front is viable without the participation of the Left parties and their quick disparagement of the new group demonstrates that they will stick with the UPA. Without LF involvement, other regional parties are unlikely to leave the confines of the UPA or NDA to join the new group. Four of the eight political leaders involved in this move are former Chief Ministers who were voted out of office. This odd melange of large egos is unlikely to cooperate to mount a serious challenge to politics as usual. However, representing nine percent of the Lok Sabha's electoral votes, the new group will try to play a role in the ongoing race to determine India's next President.

¶8. (U) CONGEN Chennai and Embassy New Delhi collaborated on this message.

¶9. (U) Visit New Delhi's Classified Website:
(<http://www.state.sgov.gov/p/sa/newdelhi/>)
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